



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



m/027/032

IN REPLY REFER TO:
3809
(UT-924-OA)
UTU-70557

RECEIVED

JUN 30 2004

DIV OF OIL GAS & MINING

June 29, 2004

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

DECISION

Obligor/Operator:	:	Plan Operation: UTU-70557
Red Dome Inc.	:	
Gordon D. & Dionis S. Griffin	:	Bond Amount: \$44,000
7 Ramshorn Ct.	:	
Savannah, GA 31411	:	
Financial Institutions:	:	
U.S. Trust Co. (ATTN: Ms. Penny Weeks)	:	
225 Franklin St.	:	
Boston, MA 02110	:	
Fleet National Bank (By Federal Express)	:	
c/o Global Trade Operations	:	
1 Fleet Way, Mail Stop: PAEH0802SM	:	
Scranton, PA 18507-1999	:	

Substitute Security Accepted
Original Security Returned

On June 25, 2004, we received a letter of credit (LOC) in the amount of \$44,000, issued by U.S. Trust Company. This security is to replace the \$44,000 LOC currently held by this office and issued by Fleet National Bank to secure a individual bond for Red Dome Inc., Obligor. The replacement security has been examined, found satisfactory, and is accepted effective June 25, 2004. Therefore, individual bond coverage continues uninterrupted and covers past liabilities for the above obligor.

The replacement security is a LOC written by the U.S. Trust Company. The LOC will be retained in this office until all terms and conditions of the operations have been fulfilled or until a satisfactory replacement bond has been accepted. The LOC will be returned to the financial institution when this office determines that the bond is not longer required.

The LOC will continue indefinitely in the absence of notice from the financial institution of its determination not to renew the letter. Such a notice must be received in this office at least 90 days prior to the original expiration date of June 24, 2005, or the automatic extension dates falling on the same day in subsequent years. A copy of such notice also should be provided to the obligor, who would then be responsible for providing a replacement security to the BLM. Unless the obligor provides a satisfactory replacement bond at least 30 days prior to the then fixed expiration date, BLM will demand that the financial institution pay the full amount of the credit to ensure continuing bond coverage of the obligor. Any such funds thus obtained will be retained as long as none are required to correct defaults, until the bond is no longer required or until replacement bond coverage is accepted by the BLM.

The original security is being returned, enclosed to Fleet National Bank for disposition. If you have any questions concerning the bond, please contact Opolonia Abeyta at (801) 539-4123.

 **James F. Kohler**

James F. Kohler,
Chief, Branch of Solid Minerals

Enclosure
As stated

cc: Jerry Mansfield, Fillmore Field Office (UT010)
Wayne Hedberg, UDOGM, File No. M/027/032

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SURFACE MANAGEMENT PERSONAL BOND

Act of May 10, 1872, as amended (30 USC 22-54)
Act of October 21, 1976, as amended (43 USC 1732-35)
Act of September 13, 1982 (31 USC 9301 et seq.)
Act of October 18, 1986 (100 STAT 1783)
Act of October 30, 1986 (100 STAT 3341)
Act of September 27, 1988 (102 STAT 1776)

Plan of Operation Number:

KNOW ALL BY THESE PRESENTS, THAT: Red Dome Inc. a Utah Corporation
(name)

of 5865 W. 200 South, Fillmore, Utah 84631
(address)

*New address
on Rider*

as principal ; is held firmly bound unto the United States of America in the sum of

Forty Four Thousand----- dollars (\$ 44,000.00),

lawful money of the United States, which may be increased or decreased by a rider hereto executed in the same manner as this bond.

The principal, in order to more fully secure the United States in the payment of the aforesaid sum, hereby pledges as security therefore, United States negotiable securities of a par value equal to the amount specified, cash, irrevocable letter of credit from a Federal Reserve Bank, or other instrument acceptable to the Bureau of Land Management (BLM). The principal, pursuant to the authority conferred by Section 1 of the Act of September 13, 1982 (31 USC 9303), does hereby constitute and appoint the Secretary of the Interior to act as his attorney-in-fact for the purpose of negotiating the cash or securities. The interest accruing on the United States securities, cash, or other instruments given above, in the absence of any default in the performance of any of the conditions, or stipulations set forth in this bond, or the plan of operations, must be paid to the principal. The principal hereby for himself/herself, any heirs, executors, administrators, successors, and assigns, jointly and severally, ratifies and confirms whatever the Secretary shall do by virtue of these presents.

The Secretary shall transfer this deposit for the faithful performance of any and all of the conditions and stipulations as set forth in this bond, the plan of operations cited above, and the regulations at 43 CFR Subpart 3809. In the case of any default in the performance of the conditions and stipulations of such undertaking, it is agreed that the Secretary shall have full power to assign, appropriate, apply, or transfer the deposit, or any portion thereof, to the satisfaction of any damages, reclamation, assessments, penalties, or deficiencies arising by reason of such default.

BOND CONDITIONS

1. WHEREAS the principal has an interest in a mining claim(s), mill site(s), or tunnel site(s) and/or responsibility for operations on the mining claim(s), mill site(s), tunnel site(s) or Public Lands under the Acts cited in this bond; and

2. WHEREAS the principal has received approval from the United States Department of the Interior of the plan of operations cited above, which plan of operations contain certain stipulations and conditions; and

3. WHEREAS the principal hereby waives any right to notice of, and agrees that this bond shall remain in full force and effect notwithstanding:

a. Any transfer(s) in whole or in part, of any or all of the land covered by the plan of operations and further agrees to remain bound under this bond as to the interests in the plan of operations retained by the principal; and

b. Any modification of the plan of operations or obligations thereunder; and

4. WHEREAS the principal hereby agrees that notwithstanding the termination, cancellation, or relinquishment of any mining claim(s), mill site(s), or tunnel site(s) covered by this plan of operations, whether by operation of law or otherwise, the bond shall remain in full force and effect as to the terms and conditions of the plan of operations and obligations covered by this bond; and

GENERAL POWER OF ATTORNEY

STATE OF UTAH)

) ss.


County of Millard)

KNOW ALL MEN BY THESE PRESENT that I, Gordon D. Griffin more than 18 years of age, of 7 Ramshorn Court, Savannah, Georgia, hereby make, constitute, and appoint Dexter L Anderson, of 730 N. 3900 W, Fillmore, Utah 84631 from the date of signing hereof, as true and lawful Attorney-in-Fact for me and in my name, place, and stead, giving unto said Person full power to do and perform all and every act that I may legally do through an Attorney-in-Fact, and every power necessary to carry out the purposes for which this Power is granted, hereby ratifying and affirming that which said Person shall lawfully do or cause to be done by himself lawfully designated by virtue of the power herein conferred upon him, from the date of signing hereof.

DATED this 10th day of September, 2001.


Gordon D. Griffin

On the 10TH day of SEPTEMBER, 2001, personally appeared before me GORDON D. GRIFFIN, who is known to me, having been duly sworn, acknowledged, that HE executed the foregoing document in the appropriate signature line.


NOTARY PUBLIC



U.S. TRUST COMPANY, NATIONAL ASSOCIATION

LETTER OF CREDIT

Number 02002

Date of Issuance: **June 24, 2004**

BENEFICIARY: United States Department of the Interior, Bureau of Land Management,
P.O. Box 45155, Salt Lake City, Utah 84145-0155

TOTAL AMOUNT: The total amount available under this Letter of
Credit is: U.S. Forty-Four Thousand and No/100 Dollars (U.S. \$44,000.00)

Ladies and Gentlemen:

We (the "Issuing Bank") hereby establish our Irrevocable Letter of Credit in your favor for the account of
Gordon D. and Dionis S. Griffin (the "Account Party")

The amount set forth above will be available to you by your drafts, at sight, accompanied by this original Letter of Credit, the original of all amendments hereto, if any, and a written and dated statement bearing the apparent signature of Beneficiary's putative agent on Beneficiary's letterhead as follows:

"The Department of Interior-BLM (DOI-BLM) exercises the right to collect the stated amount from the Issuing Bank because: (A) a default has occurred prior to the Expiration Date (including any extended date) or (B) Gordon D. and Dionis S. Griffin have failed to furnish an acceptable substitute bond of \$44,000.00 at least 30 days prior to the Expiration Date of this Letter of Credit."

Each draft must state on its face "Drawn under Letter of Credit No. 02002, dated June 24, 2004 of U.S. Trust Company, National Association."

Drafts may not be presented prior to June 24, 2004 nor after the expiration of this Letter of Credit. This Letter of Credit will expire on our close of business on June 24, 2005 or such other date as provided herein (the "Expiration Date"). This Letter of Credit is deemed to be automatically extended without amendment for one year from the stated or any future Expiration Date unless at least ninety (90) days prior to such Expiration Date we notify you by registered mail/return receipt requested that this Letter of Credit will not be extended for any such additional period. Any such notice shall be effective when sent by us and upon such notice to you, you may draw at any time prior to the then current Expiration Date, up to the full amount then available hereunder, against your draft drawn on us at sight accompanied by this original Letter of Credit, the original of all amendments hereto, if any, and a written and dated statement bearing the apparent signature of Beneficiary's putative agent on Beneficiary's letterhead as follows:

"Beneficiary hereby certifies that (A) Beneficiary has not received an appropriate extension of the Expiration Date of Letter of Credit No. 02002, dated June 24, 2004 of U.S. Trust Company National Association, (B) the Account Party's obligation to Beneficiary remains and (C) the amount of the draft now presented does not, when aggregated with all other drafts previously presented under this Letter of Credit, exceed the total amount available under this Letter of Credit."

- COPY -
NOT NEGOTIABLE

By: Dana Baker Weeks Vice President

By: Carolyn A. Macdonald Senior Vice President

(Letter of Credit No. 02002) Page 1 of 2

This Letter of Credit is transferable subject to our approval and upon payment of our transfer fee.

We hereby agree to honor drafts properly drawn and negotiated in compliance with the terms of this Letter of Credit upon presentation during normal banking hours at our office at 225 Franklin Street, Boston MA 02110, Attention: Anita B. Weeks or at such other office of ours of which we notify you by registered mail/return receipt requested.

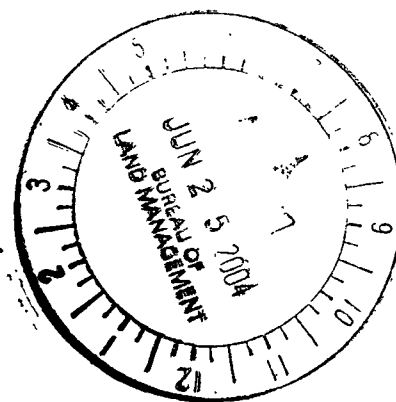
Except as otherwise expressly provided herein, this Letter of Credit is subject to the Uniform Customs and Practices for Documentary Credits (1993 revision) International Chamber of Commerce Publication No. 500 and to the extent not inconsistent therewith the laws of the State of Connecticut (other than its choice of law principles), including its Uniform Commercial Code.

This Letter of Credit shall be null and void unless signed below in blue ink by two of our officers.

Very truly yours,

By: *Anita B. Weeks* Vice President

By: *Carolyn A. Macedo* Senior Vice President



PERSONAL BOND RIDER

Page 1 of 2

In consideration for this rider and the acceptance of this rider by the Bureau of Land Management (BLM) on behalf of the United States of America, this rider attaches to and is part of the current Surface Management Bond, BLM No. UT 1257 further described as:

Issued on behalf of

Red Dome Inc

Principal/Obligor, in favor of the United States. The bond provides coverage as shown below

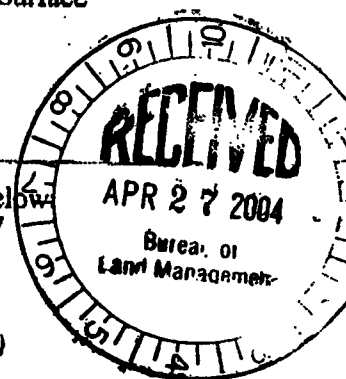
☒ Individual notice/plan of operations - BLM serial number UTU 70557

☐ Statewide UTAH

☐ Nationwide _____

(Name of State)

(If Applicable, Write/Type "Yes")



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This rider is to amend the bond as follows:

☐ **INCREASE / DECREASE IN DOLLAR AMOUNT OF BOND COVERAGE**

It is understood and agreed that \$44,000 S.D.S. Principal, is increasing/descrasing the coverage of this bond to the amount shown below; however, this rider shall not act to increase/decrease the actual cumulative or potential liability above the face amount of the bond, to wit: _____ U.S. dollars (\$ _____)

(dollars-amount in words) (dollars-amount in figures)

☐ **STATEWIDE BOND / NATIONWIDE BOND**

The Principal hereby agrees to and extend bond coverage to include any and all operations under Title 43 CFR, subparts 3802/3809, Surface Management.

☐ **BOND COVERAGE EXTENDED**

The Principal hereby agrees to and extends bond coverage to include notice level operations pursuant to regulations at 43 CFR 3809, Surface Management.

☐ **THIRD PARTY**

It is understood and agreed that _____ Principal, is posting this bond on behalf of _____ Operator, under notice/plan of operations, BLM serial number UTU- _____

PERSONAL BOND RIDER

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ASSUME OUTSTANDING LIABILITY

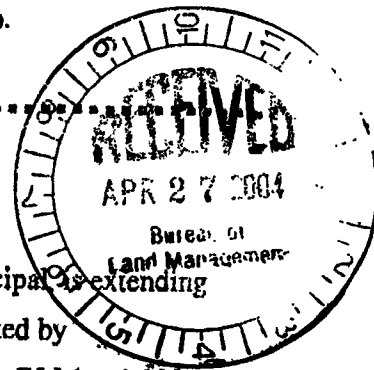
The Principal hereby agrees to extend coverage of this bond to the performance of all plan of operations or notice level operations obligations, both past and future, including the responsibility to adhere to the conditions of the approved plan(s)/notice(s) and reclamation and restoration of the surface disturbed by the plan, specified within the approved reclamation plan and any amendments thereto.

☐ **COPRINCIPAL**

It is understood and agreed that _____, Principal, is extending the coverage of the bond referenced above to include liabilities for operations conducted by _____ on notice/plan of operations, BLM serial No. _____

UTU- _____;

Or: Specify the applicable operations under a statewide/nationwide bond.

**NOTE**

This coverage of obligations shall continue whether or not a notice/plan of operations has subsequently been suspended or terminated. This rider shall not act to increase the actual cumulative or potential liability of the principal or bond above the face amount of the bond. Nothing herein contained shall vary, alter, or extend any provision or condition of this bond except as herein expressly stated.

* Executed this 27th day of April, 2004
Principal GORDON D. GRIFFIN
By Gordon D. Griffin FOR RED DOME INC.
Title _____
Business Address 7 RANSIFERN CT
SAVANNAH GA 31411

ACKNOWLEDGMENT:

* State of Utah, County of Salt Lake, Subscribed and sworn to before me this 27th day of April, 2004

By Connie Mountain

Connie Mountain

NOTARY PUBLIC



12005